

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL CONTRACT 77 (MC2014-18)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2014-31

**NOTICE OF UNITED STATES POSTAL SERVICE OF
CHANGE IN TERMS PURSUANT TO
AMENDMENT TO PRIORITY MAIL CONTRACT 77**
(June 30, 2017)

The Postal Service hereby provides notice that the terms of Priority Mail Contract 77, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to Priority Mail Contract 77 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective two business days after the day that the Commission completes its review of this filing.

This amendment will not materially affect the cost coverage of Priority Mail Contract 77. Therefore, the supporting financial documentation and financial certification previously filed in this docket remain applicable. The Postal Service hereby incorporates by reference the Application for Non-Public Treatment originally filed in this docket, for the protection of the customer-identifying information that has been filed under seal.

Respectfully submitted,

UNITED STATES POSTAL SERVICE
By its attorneys:

David H. Rubin
Acting Chief Counsel
Pricing and Product Support

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June 30, 2017

ATTACHMENT A

REDACTED AMENDMENT TO PRIORITY MAIL CONTRACT 77

**AMENDMENT #4
OF
SHIPPING SERVICES CONTRACT
BETWEEN
THE UNITED STATES POSTAL SERVICE
AND
[REDACTED]
REGARDING
PRIORITY MAIL SERVICE**

WHEREAS, the United States Postal Service ("Postal Service") and [REDACTED] ("Customer") entered into a Shipping Services Contract regarding Priority Mail Service, Priority Mail Contract 77/Docket No. CP2014-31, on February 6, 2014 (as previously amended, as amended hereby, and as it may be further amended, restated, supplemented or otherwise modified from time to time, and together with any attachments thereto, the "SSC" or "Contract"). Capitalized terms used but not defined herein shall have the meaning set forth in the Contract.

WHEREAS, the Parties desire to enter into this Amendment #4 to the Contract to amend the terms in Sections I.E and I.F of the Contract.

NOW, THEREFORE, for valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties agree that the Contract is hereby amended as detailed below. The Contract remains unchanged in all other respects and is hereby ratified by the Parties. This Amendment shall become effective two (2) business days following the day on which the Commission issues all necessary regulatory approval.

The Parties hereby agree to (i) delete Section I.E. (along with Table 2) in its entirety and replace it with the new Section I.E. set forth below (including Table 2), and (ii) delete Section I.F. in its entirety and replace it with the new Section I.F. set forth below (including Table 3).

I. Terms

- E. On the effective date of the Amendment #4, Customer shall pay the Tier 2 price for its Contract Packages through the end of the Contract Quarter ending September 30, 2017. For subsequent Contract Quarters, Tiered pricing will be determined by the volume of Contract Packages shipped in the previous Contract Quarter, pursuant to Table 2 below.
- [REDACTED]

F. Annual Price Adjustments

1. For the Contract Year beginning March 8, 2018 (Contract anniversary date), there will be no adjustment to Contract Package pricing in either Tier 1 or Tier 2 of the Contract.
2. For subsequent years of the Contract, beginning on March 8, 2019 (Contract anniversary date), customized prices under this Contract will be the lesser of: (a) the previous year's prices plus the most recent (as of the anniversary date) percentage change in prices of general applicability for Priority Mail Commercial Plus, as calculated by the Postal Service, or (b) the previous year's prices plus the annual adjustment rate illustrated in Table 3 below.
3. Customized prices for subsequent years will be calculated by the Postal Service and rounded up to the nearest whole cent. If the Postal Service maintains or decreases published prices of general applicability for Priority Mail Commercial Plus, there shall be no change to Contract pricing for that Contract Year.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be duly executed as of the later date below:

UNITED STATES POSTAL SERVICE

Signed by: DocuSigned by: Cliff Rucker
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Printed Name: Cliff Rucker

Title: Senior Vice President, Sales and Customer Relations

Date: 6/27/2017